



General Assembly

January Session, 2001

Amendment

LCO No. 6074

Offered by:

REP. SAMOWITZ, 129th Dist.

To: House Bill No. 6565

File No. 123

Cal. No. 125

***"AN ACT CONCERNING THE TAX INCREMENTAL FINANCING
PROGRAM ADMINISTERED BY THE CONNECTICUT
DEVELOPMENT AUTHORITY."***

1 Strike out everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Subsection (k) of section 32-285 of the general statutes is
4 repealed and the following is substituted in lieu thereof:

5 (k) No commitments for new projects shall be approved by the
6 authority under this section on or after July 1, [2001] 2005.

7 Sec. 2. Subsection (f) of section 23 of public act 98-179 is repealed
8 and the following is substituted in lieu thereof:

9 (f) (1) The authority may issue, from time to time, but in no case later
10 than January 1, [2003] 2005, one or more series of bonds in accordance
11 with the provisions of chapter 579 of the general statutes, to the extent
12 not inconsistent with the provisions of this subsection, payable in whole
13 or in part from the project area taxes allocated and deemed appropriated

14 from the General Fund under subsection (e) of this section to finance the
15 various phases of the Steel Point Project as approved under this section
16 or, at any time, to refund bonds previously issued under this section. The
17 authority may make a grant of all or part of the proceeds of such bonds
18 to any person in connection with the Steel Point Project, including the
19 state or the city, or any instrumentality or agency of the state or the city,
20 to defray their expenses in connection with the Steel Point Project.
21 Subject to applicable federal tax law, the authority may issue such bonds,
22 the interest on which is excludable from gross income for federal income
23 tax purposes, or such bonds, the interest on which is not so excludable.
24 The authority, when authorizing the issuance of any series of such
25 bonds, shall, in conjunction with the State Treasurer, determine the rate
26 of interest of such bonds, the date or dates of their maturity, the medium
27 of payment, the redemption terms and privileges, whether such bonds
28 shall be sold by negotiated or competitive sale and any and all other
29 terms, covenants and conditions not inconsistent with this section, in
30 connection with the issuance thereof, including, but not limited to, the
31 creation of capitalized interest or operating reserves and the pledging of
32 special capital reserve funds authorized under subsection (b) of section
33 32-23j of the general statutes.

34 (2) The issuance of any bonds by the authority pursuant to this section
35 shall be subject to the approval of the State Bond Commission. If the
36 authority approves bonding for the Steel Point Project, the authority
37 shall submit the matter to the State Bond Commission for final approval.
38 In reaching its decision, the State Bond Commission may consider the
39 information considered by the authority, the independent financial
40 assessment and such other financial information as it deems appropriate.
41 After such approval by the State Bond Commission, no other approval
42 shall be required for the issuance of bonds pursuant to this section to
43 support the Steel Point Project.

44 (3) Prior to the issuance of any bonds by the authority pursuant to this
45 section, the developer shall deliver to the authority security for its
46 performance of that phase of the Steel Point Project then to be
47 constructed.

48 (4) The issuance of any bonds by the authority pursuant to this section
49 shall be deemed issued under section 32-285 of the general statutes for
50 purposes of calculating the state debt limitation pursuant to section 3-21
51 of the general statutes.

52 Sec. 3. Section 32-462 of the general statutes is repealed and the
53 following is substituted in lieu thereof:

54 (a) As used in this section:

55 (1) "Agency" means the Department of Economic and Community
56 Development, the Connecticut Development Authority or Connecticut
57 Innovations, Incorporated.

58 (2) "Financial assistance" means grants, loans, loan guarantees,
59 contracts of insurance, investments, or combinations thereof, which are
60 provided from the proceeds of bonds, notes or other obligations of the
61 state or an agency which constitute a debt or liability of the state or
62 which are secured by a special capital reserve fund payable from
63 amounts appropriated or deemed appropriated from the General
64 Fund.

65 (3) "Applicant" means any eligible applicant seeking financial
66 assistance from an agency for a business project. The term "applicant"
67 shall not include any political subdivision of the state.

68 (4) "Business project" means a business proposal undertaken by one
69 or more applicants, but does not include housing unless undertaken in
70 combination with another unrelated type of business.

71 (b) (1) No agency or agencies may award more than a total of ten
72 million dollars of financial assistance during any two-year period to an
73 applicant or for a business project unless such financial assistance is
74 specifically authorized by an act of the General Assembly which has
75 been enacted before, on or after July 1, 1994, except that in the case of
76 financial assistance for a biotechnology business project, no such
77 award may be more than twenty million dollars unless such financial

78 assistance is specifically authorized by an act of the General Assembly
79 which has been enacted before, on or after the effective date of this act.

80 (2) The provisions of subdivision (1) of this subsection shall not apply
81 to any awards funded or to be funded by bonds authorized to be
82 issued by the State Bond Commission before July 1, 1994.

83 Sec. 4. This act shall take effect July 1, 2001."